

# 2005 Operational Report to Congress

J U L Y - S E P T E M B E R 2 0 0 5

## *Highlights*

**TVA met the highest demand  
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area — 31,924 megawatts.**

- TVA met the highest demand for electricity ever recorded in its seven-state service area on Tuesday, July 26, when it provided 31,924 megawatts. This broke the all-time peak demand of 31,703 megawatts set on the previous day. Also during July, for the first time in TVA's history, power demand exceeded 29,000 megawatts for eight straight days. The region had never before experienced power demand that high for more than two consecutive days. In addition, TVA met monthly record demands six times during FY 2005, including record demands during each month of the fourth quarter.
- The growth in electrical demand reflects the region's economic vitality. During the quarter, TVA worked with regional, state, and local officials to help attract or retain more than 18,200 jobs and leverage investments of more than \$940 million. In addition, TVA provided economic development loans totaling \$2,787,500 to Valley companies through its distributor and community partnerships.
- Faced with rising costs for fuel and purchased power, TVA implemented an increase of 7.52 percent in firm rates on October 1, 2005. Natural gas prices increased 25 percent over the summer, and coal prices increased 20 percent over the past year. Before seeking the rate increase, TVA reduced operating and capital costs for 2006 by nearly \$100 million.
- The rate increase is expected to produce approximately \$524 million in additional revenue, but, since summer, fuel costs have increased beyond the forecasts available. Factors pushing TVA's forecasted fuel costs beyond budgeted amounts include tight natural-gas supplies worsened by recent hurricanes in the Gulf of Mexico, increases in coal prices, and disruptions in coal transportation.
- TVA paid down its total financing obligations by \$301 million in FY 2005, which was more than was budgeted for the year.



**Browns Ferry and Sequoyah  
nuclear plants ranked first  
and second in the U.S. for  
lowest average operating  
and maintenance costs in  
2002-2004.**

- In the wake of Hurricanes Katrina and Rita, TVA quickly restored power to its own customers and helped other utilities recover from the devastating impacts. Line crews, truck drivers, and public assistance coordinators participated in multiple mitigation activities. TVA employees also made individual contributions of 84,000 bottles of water and donations of \$27,000 in cash to purchase needed goods. The TVA Nuclear management team provided children's entertainment items and donations for a facility established for Waterford and Entergy employees and their families who were evacuated from their homes during Hurricane Katrina.
- Funds contributed by TVA employees and retirees for relief efforts through the Combined Federal Campaign totaled more than \$245,000. With TVA's matching contributions to the American Red Cross, the result was almost half a million dollars to help those in need.

## **ENERGY**

- As published by *Platts Nucleonics Week*, Browns Ferry and Sequoyah ranked first and second in the United States for the lowest average operating and maintenance costs reported by nuclear utilities in 2002-2004. Watts Bar's three-year average ranked third among single-unit stations.
- For the first time in its operating history, Sequoyah Unit 2 achieved the maximum score – 100 percent – on the Institute of Nuclear Power Operations Index, an overall performance indicator consistently used by all U.S. nuclear plants. Sequoyah Unit 1 reached 100 percent for the first time earlier this year.
- The reliability of TVA's nuclear equipment this fiscal year was the best ever. The total days off-line due to equipment failures was 6.2 days, surpassing the previous best of 7.2 days in 1999.
- The Browns Ferry Unit 1 restart project is continuing within its budget and schedule.
- The NuStart Energy Development consortium named TVA's Bellefonte nuclear site as one of two sites selected for the development of a Combined Operating and Construction license. While TVA has not committed to build a new plant at Bellefonte, the NuStart work will provide information needed for future decisions and will support the nuclear energy industry by improving regulatory certainty for the building of nuclear power plants.
- The TVA Nuclear organization sustained its high performance in diversity hiring in FY 2005. Diversity hires represented 29.5 percent of the total, the fourth straight year of diversity hires greater than 29 percent. Also, the overall diversity percentage in the nuclear workforce is increasing due to retention of those hired.
- In FY 2005, TVA's coal-fired units and combustion turbines generated 98.4 million megawatt-hours of electricity, the second-highest level in history. The system has generated more than 90 million megawatt-hours per year for 13 straight years.

- During the fiscal year, six fossil units set new continuous run records. These included Widows Creek Unit 3, which was taken offline after 819 days of continuous operation. This was a generating-unit record for any single boiler, single turbine, coal-fired generating unit in the nation. This record also was the first time in history that this type of generating unit exceeded 800 days of continuous operation.
- During the year, Widows Creek Fossil Plant generated 10,331,060 megawatt-hours of electricity, the most ever generated by the plant during a fiscal year. This is equal to the amount of electricity used by about 700,000 homes in the Tennessee Valley for an entire year.
- During the week in which TVA met its highest-ever demand for power, TVA's 59 coal-fired units operated continuously for more than 159 hours, the longest ever without any type of outage.
- The reliability of the TVA fossil system continues to improve. For FY 2005, unplanned outages and load reductions on the fossil system were the lowest for any fiscal year in the history of the current system of 59 units.
- Totals for hydro generation in FY 2005 were 15,723 gigawatt-hours, or 113 percent of normal.
- TVA continues to reduce nitrogen oxide (NO<sub>x</sub>) emissions from its fossil plants. Two additional selective catalytic reduction (SCR) systems began operating during FY 2005, bringing the total number of SCRs on TVA's fossil system to 20. Operated during the summer in conjunction with other control measures, the SCRs reduced summer 2005 NO<sub>x</sub> emissions by about 80 percent, compared to 1995. TVA is also evaluating another NO<sub>x</sub> reduction option, selective non-catalytic reduction, on two generating units.
- Additional measures to reduce sulfur dioxide are also being put into place. Scrubbers are being built at Paradise and Bull Run fossil plants, and planning and design are under way for scrubbers at Colbert and Kingston fossil plants.
- TVA's transmission system set several "best-ever" performance records on key operational measures:
  - The load-not-served figure for FY 2005 was 3.34 system minutes – the best in history.
  - The day-ahead load-forecast error average for the year was the lowest-ever – 2.01 percent, representing a 40-percent improvement over the past four years.
  - September's average day-ahead temperature forecast error of 1.28° F was TVA's lowest on record for any month.

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- The lightning-adjusted connection point interruption figure for FY 2005 was 0.785 interruptions per connection point, against a fiscal year target of less than or equal to 0.89.

- In July, TVA received its second Example of Excellence recognition from the North American Electric Reliability Council (NERC). The example recognizes the policies-and-procedures system used by power system operators and others to ensure they work from the most recent NERC standard or internal procedure.
- During the quarter, the transmission organization placed three new customer electricity-delivery points into service, completed 13 miles of transmission line, and added one 500-kV transformer bank.
- TVA participated in a major security exercise at its Cumberland Fossil Plant. Sponsored by the Tennessee Office of Homeland Security, the exercise tested the ability of regional resources to respond to a terrorist attack on infrastructure.
- TVA began meeting with customers about proposed industrial rate options to be test-marketed among distributor-served and directly served customers.
- TVA presented Duck River Electric Membership Corporation (EMC) with a power contract option to extend its termination notice by two years. With this contract option, programs that were suspended when Duck River EMC provided notice to terminate its power contract with TVA would be reinstated. If Duck River EMC eventually leaves TVA, the distributor will reimburse TVA for the costs of the reinstated programs during the remaining notice period.
- The University of Tennessee at Knoxville became the largest purchaser of green power in the Green Power Switch® program. Under the student-driven initiative, student fees will pay for the monthly purchase of 3,375 blocks (the equivalent of 506,250 kilowatt-hours) of green power per month.
- Construction is complete on the 17th solar installation in the Green Power Switch program. The 6.3-kilowatt facility is located at the Morgan County Vocational/Technical School in Wartburg, Tennessee. Students from the school erected the canopy structure and the building for the solar equipment. The facility is connected to the TVA power grid through the Plateau Electric Cooperative's system.
- Green Power Switch received the 2005 Tennessee Environmental Stewardship Award for Excellence in Energy Leadership. The award by the Tennessee Department of Environment & Conservation recognizes significant environmental achievements during 2004.
- The *energy right*® Program is encouraging builders to build ENERGY STAR® qualified homes. Only three *energy right* homes had received ENERGY STAR certification previously. Since the promotion began in June, 88 new *energy right* homes have been certified as meeting the strict energy-efficiency guidelines set forth by ENERGY STAR.

**The University of Tennessee at Knoxville became the largest purchaser of green power in the Green Power Switch® program.**

- Hurricane Katrina interrupted service to about 325,000 consumers served by 54 TVA distributors in five states. In spite of widespread impacts, repairs to TVA's system were completed within two days after Katrina hit. Local utilities served by TVA in Mississippi sent crews to help other utilities restore power. TVA's assistance to power distributors in Mississippi included rebuilding transmission line, tree clearing, aerial damage assessment, material acquisition, security, coordination of work crews, and providing a fuel supply for repair equipment.
- In light of the relocation of people left homeless by Hurricane Katrina, TVA distributors are facing issues associated with an influx of people seeking temporary and/or indefinite shelter. Distributors have been asked by the Federal Emergency Management Agency to waive deposit and electric hook-up fees for shelters, with reimbursements being made directly to distributors from FEMA. TVA has worked with the distributors to address this temporary condition.
- As a result of Hurricanes Katrina and Rita during the summer of 2005, the Energy Information Agency (EIA) has estimated that 76 percent of Gulf Coast gas supplies were "shut-in" as of September 30, 2005, meaning that the gas wells were not able to produce. The EIA expects a significant amount of Gulf Coast gas supplies to remain shut-in through December 2005, with recovery to continue well into 2006. This may result in tight supplies or shortages and higher prices during the 2005-2006 winter season.

## ENVIRONMENT

- Precipitation for FY 2005 was 45.7 inches, or 90 percent of normal; runoff was 25.5 inches, or 111 percent of normal.
- During July and August, above-normal rainfall and runoff resulted in three large tributary reservoirs being above their target levels on September 1. Because of low rainfall in September and the need to supply downstream flow commitments during August and early September, nine projects ended the quarter below flood-guide levels.
- A minor earthquake – magnitude 3.8 – occurred on August 24 near Greeneville, Tennessee. Seven TVA dams were inspected the next day; no damage was found.
- The third-term Regional Resource Stewardship Council met in Knoxville. The citizens advisory council heard updates from TVA and others on water quality activities, including the Clean Marina Initiative, the reservoir releases improvements program, and urban and rural water quality improvement efforts. The Council also advised TVA on its draft recreation strategic plan. The final meeting of the Council's term will be in January 2006.
- The TVA Board approved the Nickajack Shores (Little Cedar Mountain) request to sell 578 acres at public auction for commercial recreation, public recreation, and residential development. An auction is scheduled for February 2006.
- In keeping with the Record of Decision for its Reservoir Operations Study, TVA has completed installation of additional aeration equipment to ensure that dissolved oxygen targets continue to be met in the tailwaters of 16 TVA dams.

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- TVA's mosquito monitoring program identified a newly introduced container-breeder mosquito species, *Ochlerotatus j. japonicus*, in Hamilton County, Tennessee, and Jackson County, Alabama. The native range of this species includes China, Japan, Taiwan, North Korea, and South Korea. In 1998, this species was detected in New York; by 2003, it had spread through 19 states. TVA's monitoring efforts help scientists track the spread of mosquito species in the United States.
- During FY 2005, TVA Watershed Teams partnered with various groups to support 31 cleanup events across the Tennessee Valley. More than 8,100 volunteers collected 302 tons of trash and debris from area reservoirs, streams, parks, roadways, and greenbelts.
- TVA and the U.S. Army Corps of Engineers (USACE) are receiving increasing numbers of permit requests for mooring facilities downstream of Kentucky Reservoir. The Fish & Wildlife Service (FWS), however, considers this area to be an important big-river, freshwater mussel community and is concerned about potential impacts of mooring facilities on the area. FWS requires applicants to perform mussel surveys and initiate a mussel monitoring plan to address these concerns, but monitoring plans have not been acceptable to FWS. TVA has offered to take the lead in developing an acceptable monitoring plan to submit to USACE and FWS for review and concurrence.
- TVA helped the Natural Resources Conservation Service (NRCS) of the U.S. Department of Agriculture conduct its Fish and Wildlife Habitat and Conservation Course at the Little Sequatchie River near Chattanooga. TVA taught NRCS personnel about fish, mussels, and aquatic insects.
- TVA met with tribal officials in an effort to improve working relationships and to execute Memoranda of Understanding (MOUs) with federally recognized tribes. The MOUs delineate how TVA will consult with tribal officials, respond to inadvertent discovery of their ancestors' remains, and determine the best way to notify appropriate tribal officials.
- The Crittenden County, Arkansas, Ozone Field Study began mapping ozone levels across the Memphis/Shelby County and Crittenden County region to measure the extent of the urban ozone plume. The greater Memphis area does not meet national ozone standards and has experienced several elevated ozone episodes this year. The project is funded by the Arkansas Division of Air Quality.
- TVA completed the annual Toxics Release Inventory (TRI) for its 11 fossil plants. The inventory estimates the toxic chemicals released to the air, land, and water. The TRI indicates that the amount of chemicals released in 2004 was higher than in 2003. An increased use of coal and higher sulfuric acid emissions, due to the installation of SCR systems at several plants in combination with scrubbers, contributed to the increase. (This occurred because the operation of an SCR produces varying amounts of microscopic drops of sulfuric acid, depending on the coal being used. The emissions are neutralized in the atmosphere, however, and TVA is testing equipment to reduce the amount of the emissions.)

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**A new emissions-control  
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- TVA presented oral testimony at a public hearing by the Environmental Protection Agency (EPA) on its proposed response to North Carolina's Section 126 petition and EPA's proposed Federal Implementation Plan for implementing the Clean Air Interstate Rule (CAIR). In the testimony, TVA agreed with EPA's proposal to deny North Carolina's petition and with EPA's assertion that promulgation of CAIR, as a part of the implementation plans of the states targeted in North Carolina's petition, will eliminate any deficiencies in those states' plans and be sufficient to remedy North Carolina's non-attainment problems.
- An Environmental Assessment was completed and a Finding of No Significant Impact issued for the transfer of 420 acres from TVA to the city of Norris in Anderson County, Tennessee. The land will augment existing Norris watershed property that is managed for potable water, low-impact recreation, and occasional forest products.
- TVA signed a Memorandum of Understanding with the U.S. Department of Energy (DOE) to collaborate on research and development projects in the areas of carbon dioxide capture/storage and environmental control technologies for mercury and nitrogen oxide removal.
- A new emissions-control technology has been successfully tested for use in conjunction with a 100-percent renewable electric generation project that uses biodiesel fuel. The DOE-funded effort is being conducted by the McMinnville, Tennessee, Electric System in collaboration with Caterpillar, EmeraChem, and TVA. The project is expected to provide future economic benefits through jobs at a soybean processing plant and a biodiesel refinery and an increase in the market for locally grown soybeans.
- The Hybrid Solar Lighting System at the American Museum of Science and Energy in Oak Ridge was dedicated. The project is an example of how a public-private partnership can advance a promising new technology from the research laboratory to working reality. The system was developed through a partnership by TVA, the Oak Ridge National Laboratory, DOE, and others, including universities and private companies.
- A consortium of TVA, six other utilities, the Electric Power Research Institute, and Texas A&M University has won a DOE grant to conduct research in the area of fault location, analysis, and prediction on power systems. The project has the potential to dramatically improve the reliability of transmission and distribution systems in the United States.
- TVA is assisting in two intensive air quality field studies in Texas. TVA atmospheric scientists supported project-management and aircraft-monitoring activities under contract with the Houston Advanced Research Center and the Texas Commission on Environmental Quality. The studies measure chemical constituents of plumes in the Houston and Dallas areas. Data from both projects will enable scientists and Texas regulatory authorities to better understand the production, transport, and control of ozone and fine particle pollution.

**The region's fifth industrial site was independently certified as a megasite suitable for major automotive manufacturing.**

## **ECONOMIC DEVELOPMENT**

- The region's fifth industrial site was independently certified as a megasite – a large industrial property suitable for major automotive manufacturing – by McCallum Sweeney Consulting. The property, located in Crockett County, Tennessee, is known as the West Tennessee Auto Park and is the second site certified in Tennessee.
- TVA's economic development efforts continued to support job growth in the region, with several businesses and industries announcing new or expanded facilities:
  - Governor Bob Riley announced the Hudson-Alpha Institute for Biotechnology in Huntsville, Alabama. The biotech institute is a \$130-million state-of-the-art research facility that will create 900 jobs. TVA is providing project and financial assistance.
  - T-Mobile USA, Inc., announced plans for a \$20-million Customer Service Center in Chattanooga, Tennessee. The company expects to bring more than 700 jobs to the area when the center is fully staffed. TVA provided project and financial assistance.
  - Twin Solutions selected Nashville for a new CD and DVD manufacturing facility. The company will invest \$16 million and hire 165 people. TVA provided project assistance and financial incentives.
  - Call Evolution Company will invest \$2 million and add 200 jobs at a call center in the Duffield (Virginia) Industrial Park's Pioneer Center. TVA provided financial support.
  - Edwards & Associates announced plans for a facility in Sullivan County, Tennessee. The \$8-million investment will add 100 jobs. TVA provided project assistance.
  - Bavarian Polymers chose Dickson, Tennessee, for its next manufacturing operation. It will invest \$5 million, create 114 new jobs, and add 1.2 megawatts of new load to Dickson Electric System. TVA provided project assistance.
  - Circadence Corporation opened a product development and advanced research and development facility in Tupelo, Mississippi. Circadence expects to employ up to 100 engineers at the Tupelo facility over the next three years.
  - Britain-based AEA Technology will establish a research and development facility in Starkville, Mississippi, to produce portable power in support of space, defense, and homeland security technologies. The project will create up to 100 new jobs and have a capital investment of approximately \$10 million.
  - Gerdau Ameristeel announced it will invest \$20 million to upgrade its Knoxville, Tennessee, facility. TVA provided financial assistance in the retention and expansion of the company.



**PlyMart, Inc., of Norcross,  
Georgia, announced plans for  
a Lumber Distribution Center  
in Walker County, Georgia.**

- Boeing-Oak Ridge was awarded a contract to produce overhead consoles, instrument panels, and aisle stands for the 787-8 Dreamliner aircraft. The project will result in the addition of 15 jobs and the retention of 40 jobs.
- Western Nonwovens, Inc., announced it will establish an operation in Clinton, Tennessee. The project will create 40 jobs and \$2 million in capital investment. TVA worked with the state of Tennessee and the Melton Hill Regional Industrial Development Association to recruit the company.
- PSI announced plans for an industrial building in the Mt. Pleasant Industrial Park in Greeneville, Tennessee, adding more than 20 jobs.
- Smoky Mountain Books is expanding into the Watauga Industrial Park in Carter County, Tennessee. It will employ 40 people immediately and expects to have more than 100 employees in the next three years.
- Tate & Lyle announced it will invest \$75 million to expand production and install pollution controls at its facility in Loudon County, Tennessee. TVA provided financial assistance to help upgrade infrastructure for the project.
- American Coaster Company plans to create 40 jobs in Memphis, Tennessee, through a \$1.6-million expansion. TVA assisted American Coaster with financial incentives.
- Philotechnics, Ltd., signed a letter of intent to build a facility in Oak Ridge, Tennessee, that will employ 40-45 workers within three years. The Oak Ridge Economic Partnership and TVA are exploring the possibility of using TVA loan funds to assist the project.
- PlyMart, Inc., of Norcross, Georgia, announced plans for a Lumber Distribution Center in Walker County, Georgia. The company expects to create 60 jobs. TVA provided project assistance.
- Electro-Elf announced a new location in Hardeman County, Tennessee, bringing 30 jobs to the area. TVA worked with the Hardeman County Chamber of Commerce and provided project assistance.
- The Scott County Economic Development office in southwest Virginia announced its \$2.5-million Duffield Regional Industrial Park, a state-of-the-art location to attract high-tech firms. TVA provided conceptual site plans and layouts for the park.
- Koch Foods in Morristown, Tennessee, closed an Economic Development Loan Fund loan that created 495 jobs, provided 3.5 megawatts of load, and had a total investment of \$17 million.
- Hexcel Corporation announced an expansion of its Decatur, Alabama, facility. The \$50-million expansion will add 30 jobs initially and grow to 100 within three years. TVA assisted the project financially.

- Technoform announced that its first U.S. manufacturing facility will locate in Sullivan County, Tennessee, and will hire about 80 highly skilled employees. Technoform’s total capital investment in the project is \$8 million.
- TVA staff joined the Valley congressional delegation and representatives of several federal agencies at the Tennessee Valley Corridor Summit in Washington, D.C. TVA was a sponsor of the event.
- TVA was ranked number one for “industrial sites and buildings” on Google™. This means that someone searching Google using the phrase “industrial sites and buildings” will see TVAsites.com as the first link on the page.

## **CORPORATE**

**Operating revenue for  
FY 2005 was \$7.8 billion,  
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- Operating revenue for FY 2005 was \$7.8 billion, which was \$261 million higher than last year, reflecting a 3.4 percent increase in kilowatt-hours sold. The increase is primarily due to increased sales to municipal and cooperative customers and directly served industries.
- Fuel and purchased power costs increased about 25 percent, from \$2.081 billion in FY 2004, to \$2.601 billion in FY 2005. The increase came mainly from higher fuel prices and higher costs for purchased power.
- Net interest expense for the year ending September 30, 2005, was \$1.2 billion, which was \$62 million lower than for the same period last year. The decrease was primarily due to a lower balance of outstanding debt during the fiscal year.
- Interest and other financing expense on total financing obligations equaled about 18 percent of TVA’s total power revenues in FY 2005. This represents the lowest level of annual financing costs, as a percentage of revenues, in more than 20 years.
- The TVA Retirement System’s assets totaled \$7 billion at September 30, 2005. Income and appreciation totaled approximately \$900 million, and the assets earned approximately 14 percent cumulatively.
- TVA reduced its total financing obligations by \$301 million for FY 2005. TVA is working to continue the trend of reducing its total financing obligations while maintaining the liquidity necessary to manage its business effectively.
- TVA priced two global Power Bonds to refinance maturing debt. TVA issued \$500 million of a 30-year global Power Bond with a coupon rate of 4.65 percent, setting a record for the lowest interest rate ever achieved on a 30-year bond by any U.S. agency or corporate issuer. TVA also issued \$1 billion of a 10-year global Power Bond with a coupon rate of 4.375 percent. Strong investor demand and good timing allowed TVA to achieve favorable terms on the transactions.
- During FY 2005, TVA opened a \$2.5 billion line of credit with a commercial bank to increase liquidity and provide a backstop for access to capital markets.

# State News

## ALABAMA

- Huntsville Mayor Loretta Spencer kicked off a campaign to promote the new North Huntsville Conservation Design Industrial Park. TVA Technical Services helped design the park to reduce its environmental footprint, beyond what can be achieved with conventional development practices. This is TVA's first opportunity to showcase its new Conservation Design Guidebook, which suggests ways developers can address sensitive site considerations.
- TVA participated in the 10th Annual North Alabama Industrial Development Conference in Muscle Shoals and in the North Alabama Industrial Development Association's marketing event in New York.
- Jackson County broke ground for construction of two speculative buildings in the Jackson County Industrial Park. The Jackson County Industrial Development Board is building one structure with financial assistance from TVA, North Alabama Electric Cooperative, and five local banks; the Scottsboro Industrial Development Board is building the other. TVA has supported the design and layout of the park.
- The State of Alabama was the successful bidder for leasing 6,605 square feet of TVA space in Muscle Shoals. Plans call for the state to relocate a Department of Revenue office to the space.
- TVA's Habitat Program at the Muscle Shoals/Wilson Dam Reservation was recently recertified by the Wildlife Habitat Council (WHC). The program met WHC's highest criteria for outstanding commitment and will not have to apply for recertification for three years.
- TVA partnered with the North Shore Campground to stabilize approximately half a mile of critically eroded TVA shoreline on Guntersville Reservoir.
- TVA leased its vacant greenhouses on the Muscle Shoals Reservation to Jack-O-Lantern Farms, a company that grows vegetables hydroponically for sale to local grocers. The move creates five jobs.

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## GEORGIA

- TVA is working with Ringgold Middle School and the city of Ringgold in supporting a new environmental club, Eco Rescue, which bases its curriculum on water, land, and air issues. Thirty participating sixth to eighth graders collect quarterly water samples on an adopted tributary of South Chickamauga Creek; hold creek cleanups; label storm drains; lead campus cleanup activities; and participate in recycling efforts and environmental awareness-building activities.

## KENTUCKY

- TVA, FWS, and Land Between the Lakes (LBL) have addressed a conflict between bald eagles and power transmission. In 2002, a pair of the federally protected birds built a nest on a transmission line tower at LBL. TVA then de-energized the power-line corridor. When the nest fell from the structure after the breeding season, TVA and FWS agreed that TVA would build an alternative nest platform adjacent to the existing power-line corridor, allowing TVA to re-energize the line and provide a secondary power source to Cadiz, Kentucky.

## MISSISSIPPI

- TVA staff joined the Columbus/Lowndes County Link board of directors in meetings in Washington with members of Congress and their staffs, the U.S. Department of Transportation, U.S. Department of Agriculture, and U.S. Chamber of Commerce.

## NORTH CAROLINA

- The U.S. Forest Service and TVA implemented an improved monitoring program to measure sediment deposition in the Tellico Off-Highway Vehicle (OHV) Area in the North Carolina portion of the upper Tellico River. This work supports the Upper Tellico OHV Stakeholders Group, which includes the Forest Service, Trout Unlimited, North Carolina Wildlife Resource Commission, Southern Four Wheel Drive Association, and TVA.

## TENNESSEE

- Aisin Automotive Casting, a project for which TVA provided assistance, was cited in the June issue of *Area Development* magazine as an economic development success story. The article noted that a primary factor in the company's decision to locate in Clinton was the collaborative effort of the State of Tennessee, the cities of Clinton and Oak Ridge, and TVA. The project will result in 400 jobs, a capital investment of \$67 million, and a power demand of five megawatts.
- The 1,600-acre Enterprise South Industrial Park Megaproject is to receive \$17.2 million through federal highway legislation. The funding will support construction of a road connecting Interstate 75 and State Highway 58 through the park.
- TVA participated in the 25th Annual Marketplace of Opportunities event hosted by the Tennessee Minority Supplier Development Council. More than 170 corporations and 250 certified minority businesses are members of the council.

**Aisin Automotive Casting, a project TVA assisted, was cited by *Area Development* magazine as an economic development success story.**

- TVA was a corporate sponsor for the 52nd Annual Governor's Conference on Economic & Community Development. More than 800 elected officials, community leaders, and economic developers from throughout the state attended the event.
- TVA's former Aquatic Biology Lab property near Norris, Tennessee, sold at public auction to a private group for \$276,000. Most TVA employees and functions located in the Norris area were moved to Knoxville and Lenoir City last year.
- TVA participated in the Boy Scouts of America "Good Turn for America" kickoff event in Johnson City. More than 300 Scouts and exhibitors participated; TVA staff provided information on how Scouts can earn the Sequoyah Council/TVA Conservation Patch. The project encourages Scout groups to develop projects to benefit their communities.
- TVA helped the Tennessee Department of Environment & Conservation investigate a potential pollution source on the rafting section of the Ocoee River. Elevated *E. coli* results were obtained from water samples on the Ocoee, and TVA shared its recreational monitoring results and other data.
- TVA awarded the Warriors Path State Park Marina with a Clean Marina certificate and flag. Warriors Path, located on TVA's Fort Patrick Henry Reservoir in northeast Tennessee, is the third state park in Tennessee to achieve the Clean Marina designation.
- TVA, in cooperation with agricultural licensees and the Tennessee Wildlife Resources Agency, planted 45 acres of agricultural fields in native warm-season grasses and 10 acres in wildlife food on the Upper Chickamauga Management Unit on Chickamauga Reservoir. The plants will control erosion, improve wildlife habitat, and demonstrate superior food quality for livestock.
- TVA partnered with the Southeast Watershed Forum, Tennessee Local Planning, The Nature Conservancy, Duck River Authority, and South Central Tennessee Development District to begin a series of Community Growth Readiness workshops. Participants include local officials from nine jurisdictions and members of the development community. The participants will recommend changes to development rules to reduce the impacts of new development on water resources in the area.
- State Representative Jim Hackworth of Anderson County presented TVA with a resolution from the Tennessee House of Representatives, expressing appreciation for the Buffalo Mountain wind turbines and TVA's efforts to increase the availability of green power in the Valley.
- In the Keep Bristol Beautiful 2005 Great American Cleanup, 1,700 volunteers collected 19 tons of debris and trash from streams and other areas of Bristol, Tennessee, and Bristol, Virginia. Nine schools and 12 civic organizations participated in the month-long cleanup, which was sponsored by TVA and 13 businesses and organizations.

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**TVA co-sponsored a workshop  
on low-impact-development in  
Wise County for county  
officials, town managers, and  
concerned citizens.**

- Also in the Bristol area, approximately 1,000 volunteers participated in the 13th Annual South Holston Reservoir and River Cleanup. Participants removed an estimated 42 tons of trash and debris from the reservoir, river, access points, and road shoulders.

## **VIRGINIA**

- TVA co-sponsored a workshop on low-impact-development in Wise County for county officials, town managers, and concerned citizens. Workshop partners included the Virginia Department of Conservation and Recreation, Upper Tennessee River Roundtable, and the Southeast Watershed Forum.
- TVA partnered with the Virginia Division of Mines, Minerals, and Energy; the Guest River Group; and the Lonesome Pine Soil and Water Conservation District to reclaim two acres of abandoned mine land in the Guest River watershed. The Guest River is heavily impacted by sedimentation from abandoned mine lands. Reclamation activities included covering barren land with nutrient-rich topsoil and planting trees for reforestation. The project is expected to prevent 240 tons of sediment per year from reaching the Guest River, which is within the watershed of TVA's Norris Reservoir.
- TVA participated in the Powell River Partners (PRP) annual float trip down the Powell River in southwest Virginia. The 50 participants had an opportunity to see water quality problems firsthand and discuss solutions. The PRP recognized TVA for its water quality improvement efforts in the Powell River watershed, which is a tributary of TVA's Norris Reservoir.